May 15, 1975

equalizing taxes in Nebraska. The people are mighty sick and tired of paying taxes.

PRESIDENT: Senator Murphy.

SENATOR MURPHY: Just very briefly, I would repeat once again what I have said before. What is a job in this state worth, not only in terms of employment for our people but in terms of taxes. Now Senator Lewis is just great to take the local property tax off where the man has to walk in and prove up with his own dollars on the 2nd of January what it is costing him to have this government unloaded on him. This is fine. Take it away from there because that man votes. Now he wants to keep the individual income tax down because at least once a year you do have to reconcile that and here again the guy who votes knows what his government is costing him. The corporation, unfortunately, does not vote. All it does is accept this load, add it to their products, add it to a loaf of bread, to a pound of sugar and the same individual is paying the same amount of money. If you went to save the people of this state, the real fine way to do it is to stop the spending. Why is it that the big spenders are the guys who want not to let the people know, hang it on the corporations, hide it under the rug, don't let the people know what we are doing down here in the way of spending. Now I say this thing should be removed unless you want to totally destroy the future for corporations who just happen to be the entities that employ people in this state and the employment of people in this state pay a lot more tax than this corporate devise will be. Under this ruse, next year we can go from 30 to 35. No increase in income, no increase in sales, we are doing the people a big figure in jacking up the price of everything they buy everyday up and down the street. This should be deleted.

PRESIDENT: Senator Frank Lewis.

SENATOR F. LEWIS: Well, Senator Murphy, if you really had the courage of your convictions, if you really believed that just previous speech, you'd suggest no taxes on corporations, if that is really true. No taxes of any kind because they are passed on to the consumer. They shouldn't pay property tax. They shouldn't pay sales tax. They shouldn't pay income tax. They shouldn't pay any of it. I don't know if you are prepared to offer that or not but it would be very interesting to hear you support it but that is the drift of the conversation I got from it. Now we know what this whole issue is about and let me just explain that one more time that what Senator Burbach said. This does not uncouple the corporate tax from the individual income tax. If the corporate taxes go up, so must the individual income tax and nobody is going to shoot those to 18 or 19%. The thing that it does and the only thing that it does, it separates out for a computation purposes only the individual income tax from the corporate income tax for the 50-50 relationship and the purpose, and the only purpose of the introduction of my amendment, Senator Dickinson, was to make sure that we did not trigger an increase in sales tax and that ought to be clear that that is the issue and that's why the amendment was offered. Now again I say it is false fear on the part of the corporations, and Senator Murphy just espoused that perfectly.